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Summary of mid-term reviews and major evaluations of country programmes

Americas and the Caribbean region

Summary

The present report was prepared in response to Executive Board decision 1995/8 (E/ICEF/1995/9/Rev.1), which requested the secretariat to submit to the Board a summary of the outcome of mid-term reviews and major country programme evaluations, specifying, inter alia, the results achieved, lessons learned and the need for any adjustments in the country programme. The Board is to comment on the reports and provide guidance to the secretariat, if necessary. The major evaluations described in the present report were conducted during 2002.

Introduction

1. In 2002, there were no mid-term reviews of UNICEF programmes in the Americas and the Caribbean region. The present report covers four major evaluations conducted in 2002 and one study that was finished early in 2003. The evaluations focus on the experience of the Child Budget and participatory budgeting in Brazil; the process of change of UNICEF cooperation in Ecuador to respond to the country's severe socio-economic crisis and its adverse effects on children's rights; the evaluation of the projects funded by the Swedish International Development Authority (SIDA) implemented through UNICEF in Bolivia; and social mobilization and surveillance to promote child rights at the local level in

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Ceará, Brazil. The study analyses the gaps and needs of Ibero-American countries to invest in children to reach the goals of the Ibero-American Action Plan for Children and Adolescents (adopted at the Eleventh Ibero-American Summit), which is congruent with the Millennium Development Goals and the goals of *A World Fit for Children*.

Major evaluations

Child budget in Brazil: bringing budgets to people

Reason and purpose of the evaluation

2. Ratification of the Convention on the Rights of the Child obliges countries to undertake a number of steps in favour of children that in the past were more a matter of moral obligation than legal requirement. Ensuring children's rights to health, education, equality under the law, recreation and the host of other rights spelled out by the Convention thus involves a financial commitment as well as a legal and moral responsibility.

3. Brazil's commitment to the rights of children emerged even before the promulgation of the Convention, in the form of the October 1988 Constitution and a Statute on Children and Adolescents produced in July 1990. New laws and institutions brought about by the Statute, however, were not sufficient to guarantee that children's rights were fulfilled and respected. An additional element was required: the commitment of adequate resources to finance the programmes developed to meet this goal. In addition, to assure monitoring of this process, members of civil society must be able to understand issues related to public spending and participate in the process by which budgets are developed.

4. To face this challenge, during the period 1994-1996 the UNICEF office in Brazil began to support several distinct efforts to monitor the Brazilian budget, insofar as it affected child rights. The first of these was the Child Budget, a national-level effort that aims to promote transparency in the use of public resources through monitoring public budgets and providing relevant information to civil society groups and others. The Child Budget was developed in partnership with the Research Institute of Applied Economics and the Institute for Socio-economic Studies (*Instituto de Estudos Sócio-Econômicos* (INESC)), a Brazilian non-governmental organization (NGO) with long-established expertise in monitoring government programmes and spending. The first of two local-level projects was the Municipal Kit, which was developed jointly with the João Pinheiro Foundation of Minas Gerais to familiarize citizens of all ages, especially teachers and students, with the process by which municipalities make budgetary decisions, and to assist them to play an active role. UNICEF also provided support for the participatory local budgeting methodology, which aims to increase popular participation in financial decision-making and was beginning to emerge in certain areas of Brazil.

5. The main purpose of the evaluation was to assess the perceived impact and the effectiveness of those initiatives so as to learn lessons and draw recommendations for future action.

Design and methodology

6. Conducted in 2002 by an external team of four specialists in budget analysis and social mobilization, the evaluation was based on a comprehensive desk review of project documentation and records, in-depth interviews with key-informants, an e-mail survey and field visits to pre-selected municipalities.

Main findings

7. The different actors involved in participatory budgeting said that the Child Budget had three major impacts: (a) it increased public financial resources in favour of children and adolescents; (b) it increased the mobilization of and control by civil society (including adolescents groups) over the allocation and implementation of the budget; and (c) it started a dialogue between the public administration and civil society over the budget, increasing the transparency of the process.

8. An informal survey of decision makers who receive the *Child and Adolescent Bulletin*, published regularly by INESC, found that a majority considered the information to be "quite relevant" to their work. Respondents included members of Congress, the National Council on the Rights of Children and Youth and state councils on child rights. They confirmed the use of Child Budget material in the course of speeches, budget discussions and political debates. More than 70 per cent found that the information included in the *Bulletin* was sufficient to meet their needs. They also found that the impact of the *Bulletin* went beyond improved dissemination of information (64 per cent) to actually helping in the formulation of policy (59 per cent), and contributing directly to efforts to increase budgetary resources for children and adolescents (36 per cent).

9. It is also noteworthy that between 1995 and1998, national spending on children was gradually declining, but after 1999, when UNICEF support permitted an improved and expanded *Bulletin*, budget allocations for children began to increase. In real terms, spending on children grew by 42 per cent between 1998 and 2001. Moreover, during the same period the Child Budget grew from 3.4 per cent to 5.2 per cent of federal spending (excluding debt payments). Of course, there is no way to know if these increases can be attributed exclusively to the initiative.

10. The monitoring of the Child Budget and its widespread dissemination also made a decisive contribution to efforts by social movements working in favour of child rights to increase budgetary resources, despite the constrained fiscal environment in Brazil. The importance of continued national government support for the *Bolsa-Escola* programme (which provides a stipend to families who withdraw their children from the labour force and send them to school) and a programme aimed at ending sexual exploitation of children has been successfully placed on the national agenda.

11. In addition, some existing programmes, such as the Ministry of Justice's Department of Children and Adolescents, have received increased funding as a result of lobbying by civil society groups demanding better implementation of the Statute on Children and Adolescents. A planned fiscal budget cut of two thirds for the Department in 2003 was strenuously opposed by civil society groups, which succeeded in bringing its budget from the proposed 33 million *reals* ($11 million) to 84 million *reals* ($28 million).

Lessons learned and recommendations

12. The recommendations of the evaluation are that: (a) the Child Budget analysis be structured according to the goals of *A World Fit for Children* and not by the Brazilian public administration, which would link monitoring of the public budget to results; (b) the analysis of the public budget be expanded to the state and municipal levels and; (c) access to the information be facilitated by launching a web site that contains all the information (methodology, analysis, news, contacts, etc.) regarding the Child Budget.

13. As the evaluation reveals, the process of preparing and overseeing budgets opens the door to a number of important processes, and can become an integral part of a human rights-based approach to programming. It demands an important capacity-building component, especially for civil society groups, local governments and private and public agencies. Advocacy around budgets calls for the empowerment of rights holders to demand that duty bearers — in both the legislative and executive branches of government — allocate the funding necessary to implement social policies. Too frequently, the announcement of grand social policies is not followed by the allocation of sufficient resources to put them into practice. Once ordinary citizens understand the impact of the budgetary process on their day-to-day lives and learn the points at which they can intervene and how to do so, they are in a far better position to hold Governments accountable for the realization of child rights.

14. The Municipal Kit was widely seen as being of high quality, both in terms of content and presentation. Its impact could be increased by making it available in contexts where participatory local budgeting is being carried out, as well as wider distribution to NGOs involved in child rights activities and local committees for the defence of child and adolescent rights.

15. Participatory budget processes, whatever form they have assumed in different Brazilian municipalities, can also be seen as an important step towards ensuring greater popular participation in decision-making and greater transparency and accountability in public spending. The processes reviewed suggest that while spending which contributes to the realization of children's rights may not be the goal of a public budget, it is often the outcome, as duty bearers for child rights increase their capacity to demand improvements in health, education and infrastructure that create more opportunities and a better living environment for children.

Evaluation of projects funded by SIDA through UNICEF Bolivia, 1989-2002

Reason and purpose of the evaluation

16. The main purpose of the evaluation was to assess the sustainability and impact on poverty reduction of a series of projects carried out over a 13-year period by SIDA in cooperation with UNICEF in Bolivia (the bilingual education project, the health education project and the Bolivian component of the *Proandes* basic services programme). The evaluation focused on five dimensions of poverty: (a) basic needs; (b) livelihood; (c) resources and vulnerability; (d) social and political deprivation; and (d) psychological deprivation. Gender and indigenous perspectives were included as cross-cutting themes.

Design and methodology

17. Due to lack of quantitative and proper baselines, the assessment of the projects focused on the beneficiaries' perceptions. The sustainability of the projects was evaluated on the basis of the coherence between (a) the project activities; and (b) the priorities and the strategies for the beneficiaries to escape poverty. Sustainability was also assessed in terms of the coherence between project interventions and public policies at national, departmental and municipal levels. The field work was carried out in the Departments of Potosí, Cochabamba and Chuquisaca.

Main findings

18. The evaluation indicated that beneficiaries perceive a positive impact from the projects, specifically improved self-esteem among children and women due to intercultural and bilingual education and the child development centres (*Wawa Wasi*). Their self-esteem also increased in connection with improved hygiene due to the water supply and the solar-heated showers provided by the projects. Interestingly, parents valued the meals given to their children at the *Wawa Wasi* more than the pre-school pedagogical activities. This reflected how the satisfaction of basic needs to combat hunger and malnutrition through the *Wawa Wasi* are deemed more important by parents. Barriers to access to health services, water supply, latrines and basic education were highlighted in the report. The evaluation found that projects which were integrated with national public policies and programmes (such as bilingual education and basic health insurance for mothers and children) have the greatest likelihood of sustainability. However, despite the perceived impact of the SIDA-funded projects carried out by UNICEF, the sustainability of those that are not backed by public policies is substantially limited.

Lessons learned and recommendations

19. The evaluation recommended that UNICEF, in close collaboration with government authorities, should pursue innovative pilot projects that would help to converge government priorities with community demands. The innovative pilot projects would also ensure a process of scaling them up into government policies and programmes. Special consideration should be given to the *Wawa Wasi* project which, despite its significant positive impact, is the least sustainable project. Nevertheless, a degree of sustainability can be achieved by negotiating conditions in the contract agreements with the municipal, regional and national government authorities.

20. The evaluation also indicated that the exit strategy of any programme or project activity should be formulated during the design stage, taking due care that project activities should terminate only when the objectives have been reached. This type of phase-out strategy necessitates well-defined targets for the project and regular monitoring of their achievement.

High-impact cooperation in a time of crisis, Ecuador

Reason and purpose of the evaluation

21. Between 1999 and 2001, Ecuador suffered an economic, social and political crisis that was without precedent. The greatest impact was felt by the most

vulnerable groups and the democratic process was put at risk. With an economy highly dependent on export flows of primary products and raw materials (90 per cent of public income), and a foreign and national debt equivalent to 118 per cent of the gross domestic product (GDP), the country's economy collapsed following a severe price reduction in its petroleum exports resulting from economic crises in Brazil, Mexico, the Russian Federation and Asian countries. As a result, the financial system collapsed and more than one half of the banks closed or were transferred to the State. Ecuador experienced a 45 per cent drop in GDP and the number of people living in poverty increased from 4 million to 8.4 million between 1998 and 2000.

22. In view of these circumstances, UNICEF cooperation in the country took a new direction and was re-oriented to focus on fiscal and social policies. Fiscal policy was identified as the avenue for defending and increasing social expenditures for protecting the most vulnerable sectors, and social policy as the avenue to promote, formulate and support the execution of new programme to face the crisis. In 2003, UNICEF Ecuador undertook an internal evaluation, with the support of the Regional Office, to take stock of the process. The goals of the evaluation were to understand the role played by UNICEF, evaluate the changes achieved so far and present lessons learned.

Design and methodology

23. The evaluation's methodology was based on analyses of secondary information, interviews with key informants and retrospective analyses of involved politicians, intellectuals and civil society representatives. An extensive analysis of public and social spending data to assess trends and changes that occurred contemporaneous with UNICEF efforts was also undertaken.

Main findings

24. The process initiated by UNICEF Ecuador in the crisis followed three phases. The first phase focused on generating a widespread call for ethical change. Specifically, this included: (a) the decision to meet with and encourage social agents (different mass organizations, NGOs, etc.) to join together and develop a message that expressed common objectives; (b) the decision, with these social agents, to advance a message calling for the practical application of the principles of the Convention on Rights of the Child, in particular non-discrimination and universality to protect the rights of children and the most excluded (the poorest, indigenous and those from rural areas); and (c) the development and constant repetition of a moral image for UNICEF Ecuador, based on the message that all children need to go to school, be well fed, be healthy and live in a loving and safe home environment where their parents or guardians have an adequate basic income. Supporting this ethical vision was a social diagnosis of the crisis, in which the consequences and causes were analysed with respect to its impact on children and the most vulnerable.

25. The second phase targeted the development of a Social Emergency Plan with specific proposals for the creation of and changes to priority programmes to face the crisis. A key objective was to include measurable costs and benefits. In practice, this became a multi-part initiative, including: (a) the co-design with the Government and social agents of priority programmes for education, nutrition, health and scholarships; (b) an analysis and assignment of responsibilities to the proper

national and local levels, so that each knew its role in the Plan; (c) identification of methods to better manage existing and new programmes to increase efficiency in targeting, complementarity and service quality; and (d) looking forward to the end of the immediate crisis in order to prepare a medium- and long-term vision.

26. The third phase consisted of strengthening community involvement and oversight to ensure accountability by the duty bearers. This led to strategies for greater participation via: (a) civic participation in meetings and councils; (b) increased communication links, especially in simple-to-understand and visually appealing formats; (c) encouraging all parties to be more willing to share necessary information; and (d) the creation of a "social observatory" of technical and civic leaders that analysed progress and made public comments about how well Ecuador was meeting its commitments to children and the most vulnerable.

27. The adoption of the Social Emergency Plan, the initiation of new social programmes and the increase in budgetary allocations became the principal means to combat and reverse the emergency trends. Monitoring of impact indicators by UNICEF together with many social agents has shown that the condition of children has recovered to at least pre-crisis levels. Access to education has recovered to the levels of the mid 1990s and initial data show a reduction in malnutrition and perinatal mortality rates. Social expenditure in 2001 represented 5.5 per cent of the gross national product and 20.4 per cent of total public expenditure, higher rates than in 1996. Social expenditure per capita increased from $55 in 2000 to $83 in 2001.

28. The evaluation also showed that the proposals of UNICEF Ecuador were successful beyond the economic and budgetary discussions. UNICEF managed to put on the national political agenda the moral dilemma of human development, especially that of children and other vulnerable groups during a period of crisis. Already lacking much representation in the institutions of the country, their voice tends to weaken and may even disappear during a crisis. UNICEF was able to help them re-occupy and even expand their political space because it was an institution that itself had acquired the respect and moral capital to be socially believable.

Lessons learned and recommendations

29. The main lessons learned revealed by the evaluation were that: (a) the basis for cooperation between UNICEF and all social agents has to be an ethical proposition, in which moral decisions are taken around social justice as the basis or axis; (b) social policy, seen as the construction of agreements regarding viable, highly efficient social programmes, and fiscal policy, seen as the construction of agreements about the level of resources, are essential to confront the causes of exclusion; (c) in a crisis context, it is irrelevant to continue with a strategy focused on the implementation of small-scale innovative models, because these do not affect economic and social policies and do not modify the allocation of resources; (d) knowing how to interpret the country's situation and how to convert information about the public budget into a simple, clear, direct high-impact format constitutes a key strategy for raising issues about budget and social expenditure; (e) it is necessary to have the capacity to involve and cooperate as a network with government institutions (national and local), community and social organizations, universities, businessmen, international agencies and the United Nations; (f) high impact can be achieved with minimum financial resources if there is a high technical

level of human resources and investment in information systems to democratize information about social expenditures; and (g) management of a political strategy rather than a programme is possible using the symbolic capital of the organization and the image of a child as a compelling political factor.

Social mobilization to promote child rights at the local level: the experience of the municipal "Seal of Approval" in Ceará, Brazil

Reason and purpose

30. An initiative for certifying the quality of local public administration, the UNICEF "Seal of Approval" initiative was launched in 1998 in Ceará, Brazil to mobilize civil society and local authorities, including mayors, to strengthen implementation of child and adolescent rights while enforcing mechanisms for social monitoring and surveillance. Instead of working on health, education and rights promotion projects with a limited number of municipalities in the state, UNICEF, through the initiative, sought to promote children's rights more widely. All municipalities were encouraged to achieve targeted results in their social sector work and to disseminate information about these efforts through a range of communication strategies. To be certified with the Seal of Approval, municipal teams compete to focus available resources and attention on improving their social indicators. In order to ensure valid comparisons, the teams compete against other municipalities that are roughly equivalent in terms of size, budget and economic structure. Each municipality is assigned to one of five groups and competes only within that group. A certificate of quality in municipal management is awarded for progress achieved as assessed by UNICEF through various sectors and social groups (guardianship, rights, health, education, social assistance, groups of young people, etc.).

31. The evaluation showed how improvement in social indicators was accelerated through the Seal of Approval between 1998 and 2002, underlined some lessons learned for other countries that want to undertake similar initiatives and made recommendations for future rounds of the initiative.

Design and methodology

32. The evaluation was based on a comprehensive desk review of documentation and records, an analysis of baseline and trend data on pre-selected indicators for all 180 municipalities participating in the initiative, in-depth interviews with key informants and analysis of the material collected as part of appraisal field visits to the participating municipalities.

Main findings

33. Although the Seal of Approval initiative started to mobilize municipal authorities and communities only in June 1999, local health and education indicators point to higher levels of community satisfaction and effective service. Data from the state health and education authorities between 1997 and 2001, which give equal weight to all 184 municipalities (as opposed to weights proportional to population density), show improved in rates for infant mortality, immunization, exclusive breastfeeding and nutritional status. The infant mortality rate fell from 40 to 26 per 1,000 live births, or a 35 per cent decrease in five years. The number of fully

immunized children increased from 67 to 91 per cent, or an increase of 37 per cent in the same time period. The rate of exclusive breastfeeding for the first four months of life increased from 46 to 61 per cent and the incidence of child malnutrition was halved, from 14 to 7 per cent. Improvements were relatively homogeneous across the five groups, regardless of initial and average indicator levels.

34. As a direct result of new criteria introduced in 2001, the number of public schools with libraries increased from 5 to 9 per cent. While still a small proportion, it was nonetheless a 77 per cent increase in one year. More significantly, this change took place in the poorer municipalities. The percentage of schools with clean water increased from 8 to 96 per cent. Meanwhile, primary school drop-out rates decreased from 11 to 8 per cent, with better performance among the poorer and more rural municipalities. Higher rates of school attendance were achieved by increasing the incentives for local monitoring and insisting on the value of basic education. Statewide, the availability of childcare services for 4-6-year olds jumped from 66 to 78 per cent between January 2001 and mid-2002.

Lessons learned and recommendations

35. The major lesson of the case study is that municipalities can indeed visibly improve the implementation of child rights when challenged by results-based goals. Even with few resources and no material reward, municipalities can act locally to improve social conditions and related indicators, given support and stimulation. They will accept the challenge, even if only for the promise of a certification that will give visibility to their local work.

36. This experience has reinforced the initial intuition that creative and sustained communication is critical. The success of this project depended on the understanding by municipalities of evaluation methods and results. Future rounds of the Seal of Approval initiative must aim for more clarity, simplicity and creativity. Constant and systematically organized feedback to the municipalities (e.g., mid-term results) is essential to sustain expectations and interest throughout the state. Indicators of municipal performance that are available on an annual basis are often not enough to maintain momentum. More imagination is needed to inject life and meaning into the countless actions and programmes that are ultimately translated into data and indicators.

37. At the same time, the two rounds of the initiative have taught the organizers that there is some trade-off between statistical accuracy and community participation. Those who are sticklers for precise numbers are likely to find methodological flaws in this initiative. However, for stimulating competition and improvement in local management of public resources for social services, numerical precision was not a priority. More importance was given to constructing local ownership of data and participation in improvement, that is, conveying the message that the indicators could be improved if communities and local authorities took concerted action.

38. For UNICEF, the experience has shown that it is possible to work with numerous local authorities without developing countless projects. Despite the initially low levels of managerial know-how among local authorities, the training and empowerment of civil servants turned out to be an effective initiative for the small office and budget of UNICEF (relative to past efforts in supporting a number of smaller, isolated projects), taking advantage of a powerful economy of scale. It

has provided a conceptual and strategic coherence to UNICEF action in the state, through which new themes can be more easily introduced and navigated.

The need to invest in children to reach the goals of the Ibero-American Action Plan for Children and Adolescents

Reason and purpose of the study

39. The present study was prepared by the UNICEF Regional Office for Latin America and the Caribbean and the United Nations Economic Commission for Latin America and the Caribbean at the request of the Ibero-American Cooperation Secretariat (*Secretaría de Cooperación Iberoamericana* (SECIB)) to comply with the Declaration of the Eleventh Ibero-American Summit, held in October 2001 in Lima, Peru. On that occasion, the ministers and senior officials responsible for children's affairs asked SECIB to estimate investment needs for which Ibero-American countries, excepting Spain and Portugal, must find resources in this decade to reach the goals of the Ibero-American Action Plan for Children and Adolescents. Those goals are consistent with the Millennium Development Goals and *A World Fit for Children*. The study also highlighted some of the main strategies and mechanisms to improve the capacity, efficiency and equity of government spending and foreign aid for the financing of the goals.

Design and methodology

40. The Action Plan calls for increased access to social services and for reductions in child and maternal mortality, poverty, abuse, violence, exploitation and discrimination suffered by children. It also calls for institutional strengthening of criminal justice institutions and better systems for data compilation, and for prevention of the risks that children face during natural disasters and unstable situations.

41. The costing analysis focused on the goals and targets that can be expressed in terms of such services as access to pre-school, primary and secondary education; access of mothers and children to antenatal services and care during pregnancy, childbirth and post-partum; immunization; treatment for early childhood diseases; prevention, care and therapy for HIV/AIDS; and access to water and sanitation. Average unit costs for maternal and child health services were taken from World Health Organization studies and those for water and sanitation were taken from the *Global Water Supply and Sanitation Assessment 2000 report*. In the case of education, unit costs for each country were estimated by the International Center of Economic Policy for Sustainable Development at the National University in Heredia, Costa Rica.

42. The additional investments needed to reach the coverage goals for these services were estimated based on three scenarios: (a) a historical scenario that forecast 2000-2010 levels of spending and coverage if the trends of the 1990s continued; (b) a zero-growth scenario, which is a realistic resource constraint for many countries at present because many Latin American countries have had negative or near-zero GDP growth rates in the past two years; and (c) a desirable scenario that showed the investment necessary to reach the level of coverage of services established as targets. The gap or additional investment effort for each target is estimated as the difference between the desirable scenario and each of the

other two scenarios. These scenarios also took into account parameters related to population growth and shares of social and public spending and as a portion of GDP.

Main findings

43. The results of these estimates indicated that if present trends of economic growth and public and social spending (which indirectly indicate the priority assigned to children and adolescents) continued, the Latin American countries combined will have an annual average gap of $24,022 billion below what is needed to reach the targets. This means that the average historical investment trend would have to be increased from $48 billion per year to $72.5 billion during the decade if the goals are to be reached. Since the gaps to cover the targets and the segment of the population of those who are under 18 years continue to decrease throughout the decade, the need for additional investment also follows the same trend. Therefore, the additional investment of $25.6 billion that would have to be made in 2000 would drop to $21.9 billion in 2010, which corresponds to 1.3 and 0.86 per cent of Latin America's GDP each year respectively.

44. These estimates indicated that there are remarkable differences between current efforts for internal investment and the amount necessary to attain such targets. In other words, Latin America would have to increase the investment for each child from $258 to $384, an average increase of $126 or almost 50 per cent.

45. Under a zero-growth scenario, the gap would be much wider. In this case, the estimated gap in 2000 of $25,655 billion (1.3 per cent of Latin America's GDP) envisaged under the historical scenario, would rise to $35,383 billion (1.8 per cent of GDP) in 2010. The average investment gap per child for the period 2000-2010 would rise by approximately one third (from $127 to $161) as zero growth halted and then reversed progress and widened the gaps. If the recessionary environment that has affected the region continues in the coming years, it will become increasingly difficult to reach the targets, unless public spending for children becomes a higher priority.

46. Although these estimates give an idea of the overall effort that must be made in Latin America, the differences between the Ibero-American countries in terms of the size of their economies, pace of economic and demographic growth, gaps in levels of access to social services and share of public resources devoted to social investment are also reflected in the investment needs to reach the targets. The biggest efforts in additional investment must be made by Bolivia, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua and Paraguay. For these countries, the gap to be covered ranges between 2.5 per cent and 8 per cent of GDP. Put another way, some of them would need to increase the allocation currently devoted to social spending by more than 100 per cent. A second group of countries made up of Costa Rica, Dominican Republic, Peru and Venezuela (pre-crisis) also must make significant efforts because the investment gaps to reach the targets lie between 1.7 per cent and 2.4 per cent of GDP. Because of better access to social services in the baseline year 2000 and low trends in population growth, such countries as Argentina (pre-crisis), Brazil, Chile, Cuba, Mexico, Panama and Uruguay (pre-crisis) show the smallest gaps/challenges in investments (less than 1 per cent of GDP). However, it is not likely that the average growth rates required to bridge these gaps will be sustained throughout the decade. Several of these countries are facing profound political and economic crises with a drastic drop in public

spending (including social spending), and with alarming increases in poverty affecting children.

47. Keeping the same priority of public spending allocations for children that was observed in the 1990s for the period 2000-2010 under the zero-growth scenario would result in a dramatically worse situation for the countries with the largest gaps. For example, the investment gap in basic services for Nicaragua would rise from 8 to 12 per cent of GDP, for Paraguay from 7.3 to 11.2 per cent, for Guatemala and Honduras from 5 to 7.1 per cent, for Bolivia from 4.1 to 6 per cent and for El Salvador from 3.8 to 5 per cent.

48. When these gaps are disaggregated by target, contrasting trends are noted. Three targets require considerable investment: 90 per cent of the additional investment needed is destined for primary and secondary education and HIV/AIDS. On the other hand, a more favourable trend requiring lesser increased investment is expected for primary education, water and sanitation and maternal and child care. A special burden is likely to fall in all cases on countries like Bolivia, Colombia, Dominican Republic, Guatemala and Nicaragua. They must make special investment and prioritization efforts, especially in providing health services to rural areas, particularly to indigenous communities, which have much lower rates of access and correspondingly weaker baseline conditions.

49. To improve the possibilities of obtaining the additional investment required to reach the targets, the study suggests certain alternatives for improving the quality of spending; increasing the tax load to improve government spending capacities; prioritizing investment in children; promoting a more equitable allocation of resources; encouraging the participation of the population in the allocation, supervision and evaluation of the budgeting process; engaging private sector funding by creating a greater sense of social solidarity; and strengthening foreign support.